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FM SECSTATE WASHDC
TO RUEHOT/AMEMBASSY OTTAWA 5357
INFO RUEHGA/AMCONSUL CALGARY 2415
RHMCSUU/FBI WASHINGTON DC 4517
RUEAIIA/CIA WASHINGTON DC 8353
RUCPDOG/USDOC WASHINGTON DC 5201
RUEKJCS/SECDEF WASHINGTON DC
RUEPINS/HQ BICE INTEL WASHINGTON DC

UNCLAS SECTION 01 OF 02 STATE 058613

SIPDIS
OTTAWA FOR LORI BALBI

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [CA](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON THE EXPORT OF U.S. DEFENSE ARTICLES CITING THE CANADIAN
EXEMPTION

REF: 2006 BLUE LANTERN GUIDEBOOK

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Embassy's assistance in conducting a post-shipment check on a transaction citing the Canadian exemption for the export of optical component parts to Canada. Embassy is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for request: exporter Rocky Mountain Instrument Co. appears on the DTCC Watchlist; also, vague/incomplete description of commodity and end-use in export filing. The company has not previously been the subject of a Blue Lantern.

¶4. ACTION OTTAWA: Mission Canada is requested to make inquiries with host government officials to establish the bona fides of end-user Itres Research Ltd. and to obtain all relevant details of the exports of optical components to Canada citing the Canadian exemption, including the exact description, number, type, dollar value, and serial number of items. PM/DTCC also requests that post conducts a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. If a site visit is not possible, please inform the PM/DTCC officer.

The following questions are provided as suggested guidance:

--What were the exact United States Munitions List (USML) articles exported to you? (Automated Export System (AES) filing data provides the following information, "optical components".)

--What is the exact end-use for these USML items? Will Itres Research Ltd. retain positive control over the optical components at all times? Will they be transferred to other end-users in Canada or re-exported?

--Does the company have secure facilities and proper accounting and security procedures for handling sensitive USML items?

--What is the nature of the company's business? Have they previously sought defense articles on the USML?

--What type of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfer and re-export?

END ACTION.

15. Details of the AES filings:

--EXPORT 1 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - optical components

Stated Value: USD 1,400.00

Export Date - 11 June 2008

ITAR Exemption Number - 126.5B

Filer Identification Number - 840468045

Shipping Reference Number - 6293

Export Identification Code - 84046804500

--EXPORT 2 - QUANTITY/COMMODITY:

STATE 00058613 002 OF 002

Quantity not provided

Commodity - optical components

Stated Value: USD 6,150.00

Export Date - 07 July 2008

ITAR Exemption Number - 126.5B

Filer Identification Number - 840468045

Shipping Reference Number - 6273

Export Identification Code - 84046804500

--EXPORT 3 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - optical components

Stated Value: USD 6,150.00

Export Date - 29 July 2008

ITAR Exemption Number - 126.5B

Filer Identification Number - 840468045

Shipping Reference Number - PO6273

Export Identification Code - 84046804500

U.S. EXPORTER:

Rocky Mountain Instrument Co.
106 Laser Drive, Bldg. #1
Lafayette, CO 80026
POC is Breeds, Tel. 303-664-5000

ULTIMATE CONSIGNEE

Itres Research Ltd.
3553 31 Street N.W., #110
Calgary, CA T2L2K7
POC is Tanase, Tel. 040-325-0994

¶6. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. PM/DTCC can fax documentation to post upon request. POC is Tim Mazzarelli, Phone: 202-663-3867; Email: MazzarelliTP@state.gov; SIPRNET: MazzarelliTP@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet: [http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20 final .pdf](http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20final.pdf)

¶7. Department is grateful for post's assistance in this matter.
CLINTON